GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:4786
ANSWERED ON:30.03.2017
Investment in Mining Sector
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Will the Minister of MINES be pleased to state:

(a) whether India moved down during the previous year on the overall mining investment attractiveness index as per international survey, 2016;
(b) if so, the details thereof and the reasons therefor along with the reaction of the Government thereto;
(c) the details of the investment made in mining sector during each of the last three years;
(d) the percentage of mining carried out by the public sector undertakings and the private companies in the said sector along with their mineral production during the said period, sector-wise; and
(e) the corrective measures taken/ being taken by the Government to boost the investment in mining sector?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (SHRI PIYUSH GOYAL)

(a) to (c): Yes Madam. According to the annual survey for mining and exploration companies conducted by the Fraser Institute (a Canadian public policy think tank) in 2016, India has been ranked poorly on the Investment Attractiveness Index, Policy Perception Index etc. The report by Fraser Institute is under examination by the Government.
The mining sector has been liberalized since the year 1993 and it is dominated by large number of private sector miners. Under the liberalized economic environment, investment decisions are taken by the entrepreneurs based on their techno-economic feasibility, commercial considerations as also considerations of economic viability.
The details of investment made by the Public Sector Undertakings under the Ministry of Mines viz. Hindustan Copper Limited and National Aluminium Company Limited during the last three years are given as Annexure-I.
(d) to (e): There are a total of 3874 mines (minerals coming under the purview of the Mineral Conservation and Development Rules, 2017) in the country as on 16.03.2017, wherein 1684 mines are working. Out of these working mines, 1552 mines are in the Private Sector. The details of sector-wise (Public & Private) production of minerals (excluding coal, atomic, fuel and minor minerals) for the year 2013-14 to 2015-16 are given as Annexure-II.

To promote the investment in mining sector, FDI up to 100% is allowed in exploration, mining, minerals processing and metallurgy under the automatic route for all non-fuel and non-atomic minerals including diamonds and precious stones. Further, the Government has amended the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 through the MMDR Amendment Act, 2015 which inter-alia provides following provisions to boost the mineral sector:
(i) grant of mineral concessions through auction by competitive bidding;
(ii) transition provisions for extension of existing leases to obviate disruptions in supply of ore and to ensure regular supply of raw material to the industry;
(iii) allowing easy transferability of mineral concessions granted through auction, which would facilitate investments into the mining sector; and
(iv) establishment of National Mineral Exploration Trust for regional and detailed exploration;
(v) period of mining lease upto 50 years to give certainty of tenure.

Annexure mentioned in reply to Lok Sabha unstarred question no. 4786 for 30.03.2017 regarding investment in mining sector

Annexure-I

Details of investment made by HCL and NALCO during the last three years
(Rs. in crore)
Name of the Organisation 2013-14 2014-15 2015-16
Hindustan Copper Ltd
2617.17 250.90 256.99
National Aluminium Company Limited
523 282 452

Annexure-II

Mineral Production (excluding coal, atomic, fuel and minor minerals) during the last three years

Mineral

Unit	Public Sector			Private Sector		
	2013-14	2014-15	2015-16(P)	2013-14	2014-15	2015-16(P)
Metallic Minerals						
Bauxite Tonne	6690534	6355919	6617939	15628614	16137752	21515577
Chromite Tonne	692221	795250	1076524	2186099	1368913	1817473
Copper Conc. Tonne	139307	107604	142649	-	-	-
Copper Ore Tonne	3777772	3505348	3907823	-	-	-
Gold (Total) Kg	1556	1430	1310	8	11	13
Gold Ore Tonne	412877	443279	530754	7552	3999	4153
Iron Ore (Total) '000 t	58690	59463	60638	93493	69858	95272
Lead & Zinc Ore Tonne	-	-	-	9281807	9362659	10453037
Lead Conc. Tonne	-	-	-	194426	197668	261858
Manganese Ore Tonne	1148511	1170533	1082793	1477780	1198948	1064836
Silver Kg	154	139	122	349620	327508	426321
Tin Conc. Kg	33275	23001	9268	1587	1684	4273
Zinc Conc. Tonne	-	-	-	1490662	1489374	1473812
Non-Metallic Minerals						
Apatite Tonne	-	-	-	1300	930	150
Asbestos Tonne	-	-	-	172	-	-
Diamond Carat	37517	36107	36070	-	-	-
Flourite Graded Tonne	2487	2946	2333	-	-	-
Flint Stone Tonne	-	-	-	459	244	253
Garnet (Abrasive) Tonne	25269	22394	25460	458290	69000	56334
Graphite R.O.M. Tonne	87995	71706	90275	58395	45006	44293
Kyanite Tonne	142	-	201	3537	6255	2700
Limeshell Tonne	8390	3263	0	10360	13090	10029
Limestone '000 t	11635	11885	11194	269228	281388	292621
Magnesite Tonne	121609	164642	147361	75331	120367	117661
Marl Tonne	-	-	-	3254486	2179488	2389706
Moulding Sand Tonne	-	-	-	29963	6383	25852
Phosphorite Tonne	1273586	1465638	1417192	179994	141577	56530
Sillimanite Tonne	16914	26275	18514	50351	39998	51933
Selenite Tonne	531	207	3103	-	-	-
Sulphur Tonne	390325	429258	441153	-	-	-
Vermiculite Tonne	2201	2222	989	9650	17114	22278
Wollastonite Tonne	-	-	-	192712	186524	175348

Source: Indian Bureau of Mines (P): Provisional

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